

Federal Election Commission Washington, DC 20463

March 13, 2009

Neil P. Reiff, Esq. Sandler, Reiff and Young, PC 300 M St., SE, Suite 1102 Washington, DC 20003

Re: ADR 466 (RAD 08L-28)

Massachusetts Democratic State Committee – Fed Fund and Eric Turner,

Treasurer

Dear Mr. Reiff:

Enclosed is the signed copy of the agreement resolving the referral initiated on July 25, 2008 with the Federal Election Commission ("FEC/Commission") against Massachusetts Democratic State Committee – Fed Fund and Eric Turner, Treasurer ("Respondents"). The agreement for ADR 468 (RAD 08L-31) was approved by the Commission on March 12, 2009 – the effective date of the agreement.

Note the specific time frames for compliance in paragraph 6 of the agreement. Please forward to this office, a statement confirming Respondent's compliance with the terms listed in paragraph 6 of the aforementioned agreement. The letter should note the dates on which Respondents satisfied each of the terms listed in paragraph 6 and contain the ADR caption and case number.

As you are aware, the settlement agreement will be made part of the record that is released to the public. The Commission will also place on the record copies of the complaint/referral, correspondence exchanged between your office and this office prior to our entry into settlement negotiations and reports prepared for the Commission by this office to assist in its consideration of this matter. The Commission is obliged by Federal statute to place on the public record documents in closed enforcement and alternative dispute resolution cases; accordingly, copies of documents relative to this matter will be forwarded shortly to the FEC's Public Information Office.

This agreement resolves the referral that was initiated by the Commission pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities regarding violations of federal election campaign laws. I appreciate

your assistance in effectively resolving this matter and bringing the case to a mutually acceptable conclusion.

Sincerely,

Lynn M. Fraser, Acting Director

Alternative Dispute Resolution Office

202-694-1665

Enclosure:

Agreement



Federal Election Commission Washington, DC 20463

Case Number: ADR 466
Source: RAD 08L-28
Case Name: Massachusetts Democratic
State Committee-Fed Fund

NEGOTIATED SETTLEMENT

This matter was initiated by the Federal Election Commission (Commission) pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. Following review of the matter, and in an effort to promote compliance with the Federal Election Campaign Act of 1971, as amended, (FECA) and resolve this matter, the Commission entered into negotiations with Neil Reiff, Esq., representing the Massachusetts Democratic State Committee-Fed Fund and Eric Turner, in his official capacity as Treasurer (the Committee or Respondents). It is understood that this agreement will have no precedential value relative to any other matters coming before the Commission.

Negotiations between the Commission and Respondents addressed the issues raised in this referral. The parties agree to resolve the matter according to the following terms:

- 1. The Commission entered into this agreement as part of its responsibility for administering the FECA, and in an effort to promote compliance on the part of Respondents. The Commission's use of alternative dispute resolution procedures (ADR) is guided by "The Administrative Dispute Resolution Act of 1996," 5 U.S.C. § 572 and is an extension of 2 U.S.C. § 437g.
- 2. Respondents voluntarily enter into this agreement with the Commission.
- 3. The Reports Analysis Division referred Respondents for failing to disclose all financial activity on their 2006 June Monthly Report. Respondents filed their original 2006 June Monthly Report on June 20, 2006. Subsequently, Respondents filed an amended 2006 June Monthly Report on February 1, 2008 that disclosed \$60,000 in transfers from its non-federal account for allocated activity.
- 4. Treasurers of political committees are required to report all financial activity, including all receipts, pursuant to the FECA. 2 U.S.C. §§ 434(a)(1), 434(b)(2), 11 C.F.R. §§ 104.1, 104.3(a).
- 5. Respondents contend that the omission consisted of a single non-federal transfer. In response to the omission, the Committee did an exhaustive reconciliation of financial records to the reports filed with the Commission from January 2004 to the present, and filed 38 amended reports to ensure the record is accurate. In addition,

Respondents modified the Committee's financial policies and procedures to decrease the likelihood this type of error would reoccur.

- 6. Respondents, in an effort to avoid similar errors in the future, agree to: (a) for calendar years 2008-2010, have an annual reconciliation of all financial records to the reports filed certified by an independent compliance specialist by January 30 of each year; (b) develop and maintain a written financial activity flowchart for receipts and disbursements within 30 days of the effective date of this agreement; (c) contract with a compliance specialist to review all reports before they are filed with the Commission within 30 days of the effective date of the agreement; (d) develop and implement an internal controls policy within 30 days of the effective date of the agreement; and (e) send a representative to a FEC conference within 12 months of the effective date of this agreement.
- 7. Respondents agree that all information provided to resolve this matter is true and accurate to the best of their knowledge and that they sign this agreement under penalty of perjury pursuant to 28 U.S.C. § 1746.
- 8. The parties agree that if Respondents fail to comply with the terms of this settlement, the Commission may undertake civil action in the U.S. District Court for the District of Columbia to secure compliance.
- 9. This agreement shall become effective on the date signed by all parties and approved by the Commission. Respondents shall comply with the terms of this agreement as set out in paragraph 6 above.
- 10. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 466 (RAD 08L-28), and resolves only those issues identified in paragraph 3 above. No other statement, promise or agreement, either written or oral, made by either party, not included herein, shall be enforceable.

FOR THE COMMISSION:

Lynn M. Fraser, Acting Director

Alternative Dispute Resolution Office

FOR THE RESPO

Neil Reiff, Esq.

Representing the Massachusetts Democratic State

Committee-Fed Fund and Eric Turner, Treasurer